



Department of Planning, Building and Code Enforcement
801 North First Street, Room 400
San José, California 95110-1795

HOUSING OPPORTUNITIES STUDY PHASE III GENERAL PLAN REPORT

2004 Fall Hearing

Hearing Date/Agenda Number:
P.C. November 17, 2004 Item: 7.d

File Number:
GP03-06-02 (HOS III)

Council District and SNI Area:
District 6 – SNI: N/A

Major Thoroughfares Map Number:
99

Assessor's Parcel Number(s):
45519012, -101, -103, -111, -115,
116

Project Manager: Ying Smith

PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram designation from Public/Quasi-Public on approximately 2.8 acres and Office on approximately 2.1 acres to Transit Corridor Residential (20+ DU/AC) on an approximately 4.9-acre site. This amendment is one of the Housing Opportunities Phase III (HOS III) amendments.

LOCATION: Southeast corner of Curtner Avenue and Canoas Garden Avenue (2390 Canoas Garden Avenue)

ACREAGE: 4.9

APPLICANT/OWNER:

Staff/Various (City of San Jose; Santa Clara Valley Transportation Authority; State of California)

GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Public/Quasi-Public and Office

Proposed Designation: Transit Corridor Residential (20+ DU/AC)

EXISTING ZONING DISTRICT(S): R-1-8 Single-Family Residence and CO Commercial Office

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Various commercial uses; Curtner Gardens Single Room Occupancy residential; — Neighborhood/Community Commercial and General Commercial

South: VTA Park-and-Ride — Non-Urban Hillside

East: State Route 87; Curtner LRT Station; Communications Hill Planned Community — Public/Quasi-Public and Office

West: Cathedral of Faith (religious assembly) — Public/Quasi-Public

ENVIRONMENTAL REVIEW STATUS:

The Housing Opportunities Study Phase III EIR is pending certification on November 17, 2004.

PLANNING STAFF RECOMMENDATION:

Transit Corridor Residential (20+ DU/AC)

Approved by:

Date:

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

- Parks, Recreation and Neighborhood Services Department (PRNS) – Roy Avenue tot lot is the only neighborhood park within 0.75 mile of the site. Lincoln Glen and River Glen Parks are within 1.0 mile. PRNS recommends using in-lieu fees from any future residential project on this site (approximately \$2.3 million at current fee rate) to improve the park site proposed at the Scottish Rite housing site.
- Parks Commission – The Commission concurs with the PRNS assessment above.
- Fire Department – The project should comply with comments from the Building/Fire Departments at the plan review stage.
- Department of Transportation (DOT) – Significant traffic impacts will result due to increased traffic volumes.
- Department of Public Works (DPW) – The site is located in the 100-year flooding zone (AH-EL 128) and a liquefaction zone.

GENERAL CORRESPONDENCE:

1. At the Housing Opportunities Study Phase III EIR scoping meeting held January 21, 2004, general concerns were raised regarding the need for more public outreach, the potential loss of small businesses and jobs from conversion of employment lands to housing, potential nuisances and inadequate open space to serve new residents, increased traffic, and over-reliance on public transit. Written correspondence on these issues from members of the public was also sent to Planning staff.
2. At the Housing Opportunities Study Phase III Community Organizations Roundtable held March 30, 2004, the following comments were raised by those in attendance:
 - Lack of open space and/or parkland in District 6;
 - Need for more public outreach and education regarding City of San Jose Planning methods and processes;
 - Analyze transportation alternatives such as bus ridership, pedestrian access and bike lanes and trails;
 - Improve implementation of smart growth concepts at development stage;
 - Potential for “instant slums” being created by high-density residential development;
 - The likeliness that BART will get funding and be extended to San Jose;
 - Loss of jobs and neighborhood-based services currently available in Midtown area should area be developed as housing;
 - Possibility of reusing older warehouses in Midtown area; and
 - Need for more street trees and urban habitats.

Questions relating to the above-mentioned issues were answered during the meeting and in the EIR.

3. As a result of internal discussions with City of San Jose Planning staff and OED staff, four of the six proposed

General Plan amendments (GP03-06-03, GP03-06-04, GP03-06-05, and GP03-06-06) in the Midtown area (District 6) were withdrawn during the Draft EIR comment period.

4. Site-specific comments are as follows:
 - A member of the public had concerns about the increased traffic to Highway 87 and the design and density of the residential development. He questioned how many of the future residents will take the light rail. He also had concerns regarding the design of high-density housing.
 - A member of the public believed that the issues are different from the ones when HOS was first started. He thinks staff is rushing to conclusions.
 - Staff had a telephone conversation with Susan Machado, of the Cathedral of Faith on October 13, 2004. Ms. Machado wondered whether parking on the VTA Park and Ride Lot would be taken away. Staff explained that parking for any new development would be accommodated on the site and that the details to maintain any necessary public parking on the site would be worked out when development is proposed.

These questions and comments were addressed at the community meetings, and staff responses are summarized in the Public Outreach section of this staff report.

ANALYSIS AND RECOMMENDATIONS:

RECOMMENDATION

Staff recommends the General Plan Land Use/Transportation Diagram designation for the subject site be changed from Public/Quasi-Public on 2.8 acres and Office on 2.1 acres to Transit Corridor Residential (20+ DU/AC) on 4.9 acres for the following reasons:

1. *Proximity to an existing Light Rail Transit (LRT) station.* The City considers sites within approximately 2000 feet of an existing or planned LRT station as generally suitable for higher residential densities, for more intensive non-residential uses, and for mixed uses. The subject site is located within 200 feet of an existing LRT station.
2. *Consistency with General Plan Major Strategies, goals, and policies.* The proposed General Plan amendment is consistent with several of the City's Major Strategies and policies, including the Growth Management Major Strategy, the Housing Major Strategy, the Sustainable City Major Strategy, Balanced Community Policy #2, and Residential Land Use Policy #3. The proposed General Plan amendment has the potential to: a) increase the housing supply; b) serve as a catalyst for neighborhood revitalization; c) maximize the efficient use of existing infrastructure and transit facilities; and d) reduce pressure for growth outside the Greenline/Urban Growth Boundary.

PROJECT DESCRIPTION

This is a staff-initiated General Plan amendment request to change the General Plan Land Use/Transportation Diagram designation from Public/Quasi-Public on 2.8 acres and Office on 2.1 acres to Transit Corridor Residential (20+ DU/AC) on 4.9 acres. The existing Public/Quasi-Public land use designation is typified by public land uses, lands of private entities involved in providing public services, and institutions. Examples include private hospitals, schools,

government offices, and telecommunication facilities. Business and professional offices typify the existing Office land use designation. Retail and other commercial uses may be allowed only as secondary uses in a larger office development.

The Transit Corridor Residential (20+ DU/AC) land use designation is intended for medium-high density and high density residential uses within, or very near, transit-oriented development corridors or BART Station Area Nodes. This land use category is intended to expand the potential for residential and mixed-use development near major public transit facilities, housing initiative areas, or major bus routes. The proposed amendment would potentially allow a minimum of 98 residential units on this site. For the purpose of analysis, the Environmental Impact Report for the proposed amendment assumed approximately 270 dwelling units and 12,000 square feet of commercial development.

BACKGROUND

This General Plan amendment is a result of the Housing Opportunities Study Phase III (HOS III). In January 2000, the City Council directed Planning staff to conduct the Housing Opportunities Study (HOS). The HOS is modeled on the successful Housing Initiative Study that was completed for the Guadalupe Light Rail Transit Corridor in April 1991. The HOS is a proactive approach to facilitate increased housing production, support transit with appropriate development intensities, and further the City's longstanding policy of infill development. The HOS seeks to identify specific vacant or underutilized parcels, particularly within or near Transit-Oriented Development (TOD) Corridors that would be suitable for higher density or mixed-use development. These TOD Corridors include the Guadalupe, Stevens Creek Boulevard/West San Carlos Street, Santa Clara Street/Alum Rock Avenue, Winchester Boulevard, Capitol Avenue/Expressway, and the Vasona Light Rail line.

The HOS has three phases, with each phase evaluating different TOD Corridors. The first phase, which focused on the Capitol Avenue/Expressway TOD Corridor, was completed in 2001. Phase II focused on the Stevens Creek Boulevard/West San Carlos Street and Santa Clara Street/Alum Rock Avenue TOD Corridors. Phase III is focused on underutilized lands near existing LRT stations and future BART Station locations throughout San Jose. This General Plan amendment is one of the proposed amendments in Phase III.

Site and Surrounding Uses

The triangular 4.9-acre site is bounded by State Route 87, Curtner Avenue, and Canoas Avenue, and is currently developed with a VTA Park and Ride lot. The Curtner LRT Station is located approximately 200 feet from the site. Residential, religious assembly, and commercial uses are in the surrounding neighborhood. Buildings in the surrounding area range from one to three stories in height. There is a single-family residential neighborhood on the west side of Canoas Garden Avenue near the southern boundary of the subject site. Canoas Garden Avenue runs adjacent to the west boundary, and the Cathedral of Faith is on the westerly side of Canoas Garden Avenue. Curtner Avenue runs along the northern boundary of the site and separates the site from a small commercial center and the site of another pending General Plan amendment (GP03-06-01).

Various residential developments ranging in density from approximately 8 DU/AC to over 50 DU/AC are located within close proximity of the site. The Communications Hill Planned Community lies to the east of the site on the other side of State Route 87.

The surrounding General Plan land use designations include Neighborhood/Community Commercial and General Commercial to the north, Non-Urban Hillside to the south, Public/Quasi-Public, Office and State Route 87 to the east, and Public/Quasi-Public to the west.





ANALYSIS

Consistency with the *San Jose 2020 General Plan* Major Strategies, Goals, and Policies

The Major Strategies and Goals and Policies of the *San Jose 2020 General Plan* support infill residential development in appropriate areas of the City and encourage sustainable practices, such as orienting residential development near transit facilities and existing commercial uses. This approach helps to increase the availability of transit and the implementation of bicycle and pedestrian connections.

Major Strategies

The San Jose 2020 General Plan has seven Major Strategies that identify the principal objectives of the Plan. Of those seven, this amendment directly relates to three Major Strategies: **(1)** Growth Management; **(2)** Housing; and **(3)** Sustainable City.

The proposed amendment is supportive of the Growth Management Major Strategy that seeks to find the balance between the need to house new population and the need to balance the City's budget, while providing acceptable levels of service. The amendment site is located within an area where urban facilities and services are already available; infill development on this site supports the intent of the Growth Management Major Strategy.

The proposed amendment is also supportive of the Housing Major Strategy that seeks to maximize the housing opportunities on infill parcels already served by municipal services. A change in the land use designation to Transit Corridor Residential (20+ DU/AC) would provide the opportunity for a variety of housing types as well as commercial/ residential mixed-use development. A mix of different housing product types is possible. Commercial uses would be of a type serving the surrounding neighborhood and rail passengers.

The Sustainable City Major Strategy seeks to reduce traffic congestion, pollution, wastefulness, and environmental degradation of our living environment. The amendment site is located within close proximity to existing bus and light rail transit. Locating development in already urbanized areas and around transit contributes to sustainability by shortening trip lengths and providing for the availability of different modes of transportation such as public transit, biking, and walking. This in turn helps to conserve energy and improve air quality.

Goals and Policies

The proposed land use change on the subject site is consistent with the General Plan's Goals and Policies. Of particular importance is consistency with the following goals and policies:

The proposed General Plan Amendment is consistent with the following *San Jose 2020 General Plan* Goals and Policies:

1. *Balanced Community Policy #2* supports the integration of housing with transportation systems. The proposed amendment is consistent with this policy in that the future

development under the proposed land use designation would provide and increase the amount of residential densities and housing types in this area and facilitate the development of higher density residential projects within the vicinity of passenger rail lines and other major transportation facilities.

2. *Residential Land Use Policy #3.* Residential Land Use Policy #3 states that locations near LRT stations and along transit routes are preferable for higher density housing. The intensification of areas near access to transit allows for higher density housing in appropriate urban locations, where city services and facilities are located, resulting in reduced sprawl and efficient use of resources. Higher residential densities should be distributed throughout the community. Locations near commercial and financial centers, employment centers, rail transit stations, and along bus transit routes are preferable for higher density housing. As stated previously, the project site is located within walking distance of the Curtner LRT Station and bus transit.

The proposed designation of Transit Corridor Residential (20+ DU/AC) is appropriate for this site in that this land use designation intended for sites located within a reasonable walking distance of passenger rail stations. A reasonable walking distance is generally 2,000 feet. "Development should be wholly residential or allow commercial uses on the first two floors with residential uses on remaining floors and should generally exceed 45 DU/AC unless particular circumstances warrant a lower density to preserve the character of adjacent neighborhoods. On larger sites, a project can be designed with a mix of densities to provide a compatible edge to existing lower density neighborhoods while still achieving the expected minimum density. This category is intended to expand the potential for residential development with convenient access to major job centers and to create new consumer markets in the appropriate areas of the City." Multi-story podium style apartments and condominiums with parking accommodated on surface lots or in parking structures typify this designation. No specific development is proposed on this property at this time.

The proposed amendment would further the City's smart growth policies by providing the opportunity for high density housing or mixed-use on an infill site that is within walking distance of an existing LRT station.

Neighborhood Compatibility

The area in which the site is situated is in transition from an industrial to a residential neighborhood. Much of the area is either already occupied by or planned for residential uses.

In 2002, a General Plan amendment (GP02-06-02b) changed the land use designation from Light Industrial with Mixed Industrial Overlay to Transit Corridor Residential (20+ DU/AC) for a site to the north of the subject site. The subject site is in an area characterized by a mix of uses that includes residential, commercial, institutional (religious assembly) and light industrial. High-density residential uses or residential/commercial mixed-uses on the subject site would be compatible with uses on the neighboring properties. There are neighborhood commercial uses on the southeast corner of Curtner Avenue and Almaden Expressway. Future residents would

benefit from the existing commercial uses in the project vicinity. If redevelopment occurs on the subject site, it should be compatible with the adjacent neighborhood character.

The closest heavy industrial uses are located within the Monterey Corridor 1 subarea, to the east of Highway 87. The subject site is approximately ¼ mile from the eastern border of the subarea. However, Highway 87 functions as the subarea boundary, so it is not anticipated that the heavy industrial uses in the Monterey Corridor 1 subarea would create negative impacts on the future residential use on the subject site.

Proximity to Employment Areas

The subject site is within 200 feet of the existing VTA Light Rail Curtner Station. The Monterey Corridor 1 subarea is within walking distance. The subject site is approximately 4 miles from downtown San Jose. There are bike lanes on Curtner Avenue and 7th Street that connect the subject site with San Jose State University and other downtown employment locations.

Availability of Services

The subject site borders an existing residential neighborhood. Open space/trails and parks (Roy Avenue tot lot, Lincoln Glen and River Glen Parks) are within 1 mile. A library (Willow Glen) is within 2.0 miles, and public schools are already in place to serve the project area.

The subject site is located within the San Jose Unified School District. The District's elementary school system is a neighborhood-based assignment system, and middle and high school student assignment is governed by choice and capacity. The schools that would serve the amendment site can accommodate the increase in student population. The addition of residents will result in a less than significant impact on public services.

As analyzed in the Environmental Impact Report (EIR), future residential development is anticipated to increase the need for police and fire protection services in the project area. However, it is not anticipated that any new or expanded police or fire department facilities will be required to serve the proposed amendment.

Bicycle and Pedestrian Facilities

Sidewalks are provided on both Curtner and Canoas Garden Avenue and provide pedestrian access to the neighborhood retail centers at the northeast corner of Curtner and Canoas Garden and at the southeast corner of Curtner and Almaden Expressway (approximately 0.5 mile away). There are bike lanes on Curtner Avenue and 7th Street. A multi-use path is located on the east side of Highway 87 between Capitol Expressway and Willow Street. The proposed amendment would not substantially affect the utilization of bicycle and pedestrian facilities.

Environmental Impacts

Hydrology. The project site is located within the 100-year floodplain. Development on the site could result in exposure of persons or property to impacts from flooding. When development is

proposed for this site, the site design would be evaluated for its potential to increase localized flooding or drainage problems, and to ensure that the site design includes protection of all habitable spaces from the 100-year flood, in conformance with the City's Flood Hazard Ordinance. Conformance with the General Plan policies and Programmed Mitigation Measures identified in the EIR would reduce hydrology impacts to a less than significant level.

Noise. Highway 87 forms the easterly boundary of the subject site. The noise environment at this site results primarily from vehicular traffic. Noise generated by aircraft on approach to San Jose International Airport is also audible at times above the ambient noise environment generated by vehicular traffic. The site is subject to vehicular traffic noise up to 75 L_{dn}. The noise exposure on this site exceeds City and State thresholds. Future residential development will be required to prepare a noise analysis that demonstrates that the proposed project design can provide interior noise levels consistent with City policies and state law. The EIR concludes that conformance with the identified General Plan policies and Program (is "programmed" the correct word or is it "program"?) Mitigation Measures would reduce noise impacts to a less than significant level.

Other environmental impacts are discussed further in the section titled "Environmental Review."

Fiscal and Economic Impacts

The increase in population resulting from the proposed General Plan amendment will cause an incremental increase in demand on public utilities and services, and a corresponding fiscal impact on City revenue and service costs. Collectively with other proposed amendments in HOS III, implementation of the proposed amendment will have a significant cumulative impact. However, the VTA Park and Ride is currently under-utilized, and the current General Plan amendment proposal has the potential to create a higher and better use of the site, as well as creating the potential to generate property tax revenue and sales tax revenue.

ENVIRONMENTAL REVIEW

The Housing Opportunities Study Phase III Environmental Impact Report (EIR) was prepared in conformance with the California Environmental Quality Act (CEQA). The EIR provides program level environmental review appropriate for the adoption of amendments to the San Jose 2020 General Plan. The EIR analyzed impacts and proposed mitigation measures, where possible, for the following items:

- | | | |
|---------------------|-----------------------|------------------|
| ▪ Land Use | ▪ Cultural Resources | ▪ Vegetation And |
| ▪ Transportation | ▪ Hydrology | Wildlife |
| ▪ Air Quality | ▪ Public Services And | |
| ▪ Noise | Facilities | |
| ▪ Geology And Soils | ▪ Hazardous Materials | |

The EIR identified four cumulative significant impacts including transportation, air quality, public services and facilities and jobs/housing imbalance for the HOS III sites.

The Housing Opportunities Study Phase III Environmental Impact Report scoping meeting was held on January 21, 2004. The Notice of Availability of Draft Environmental Impact Report (EIR) and Public Comment Period was published in the San Jose Mercury News on August 13, 2004.

PUBLIC OUTREACH

The property owners and occupants within a 1,000-foot radius were sent a newsletter regarding the two community meetings that were held on October 6 and 7, 2004. They also received a notice of the public hearings to be held on the subject amendment before the Planning Commission on November 17, 2004 and City Council on December 7, 2004. The Department web site contains information regarding the General Plan process, amendments, staff reports, and hearing schedules. This web site is available to any member of the public and contains the most current information regarding the status of the amendments.

Additionally, as mentioned above in the Environmental Review section of this staff report, staff hosted an EIR scoping meeting on January 21, 2004, and a community organization roundtable discussion on March 30, 2004. Invitees included interested citizens and neighborhood organization leaders and contact people.

At the community meetings on October 6 and 7, 2004, staff received comments on the proposed General Plan amendment. The comments are summarized as following:

1. A member of the public had concerns about the increased traffic to Highway 87 and the design and density of the residential development. He questioned how many of the future residents will take the light rail. He also had concerns regarding the design of high-density housing.

Staff responded that the City's General Plan assumes population growth. In order to accommodate the growth in a responsible way, the City applies Smart Growth principles. HOS is one of the approaches that apply the Smart Growth principles. This study identifies infill sites. Residential developments at infill sites that are close to transit services have the potential of minimizing traffic impacts from the development and taking advantage of the existing and planned transit services.

Staff also indicated that the design of the future development on this site should be consistent with the City's Residential Design Guidelines.

2. A member of the public believed that the issues are different from the ones when HOS was first started. He thinks staff is rushing to conclusions.

Staff agreed that it is true the issues are different. Planning staff worked with the Office of Economic Development to evaluate the candidate HOS sites, taking into consideration the current planning issues. Out of the 13 candidate HOS III sites, staff only recommended 5 for residential development as a result of the evaluation. After analysis, staff concluded that the subject site is appropriate for the conversion from designation for the reasons stated in this staff report.

Staff had a telephone conversation with Susan Machado, of the Cathedral of Faith on October 13, 2004. Ms. Machado wondered whether parking on the VTA Park and Ride Lot would be taken away. Staff explained that parking for any new development would be accommodated on the site and that the details to maintain any necessary public parking would be worked out when development is

proposed. Future joint use and re-design of the remaining parking spaces could be one method of maintaining some public parking spaces on site.

Attachments

GP03-06-02

